

**Commonwealth of Kentucky**  
**Division for Air Quality**

**PERMIT STATEMENT OF BASIS**

for  
Revised construction/operating

V-99-003  
Gallatin Steel Company  
RR #1 Box 320  
Ghent, KY 41045  
January 12, 1999  
Harold Sparks, Reviewer  
Plant I.D. # 079-1380-0018  
Application Log # F690

Gallatin Steel Company was issued a construction/operating permit, F-96-009, on August 1, 1997 for a steel mill. Gallatin Steel Company received a permit revision on December 16, 1997, F-96-009(Revision 1). These permits required that Gallatin Steel Company install and operate continuous emissions monitors(CEMs) to measure the NO<sub>x</sub> and CO emissions to provide reasonable assurance that the respective emissions limitations are being met on a continuous basis. Gallatin Steel Company appealed the issuances of these permits, and petitioned the Cabinet on August 29, 1997, and January 14, 1998, for hearings. Gallatin Steel Company and the Division for Air Quality have conducted negotiations to resolve the issues presented to the Office of Administrative Hearings. On March 23, 1998, Gallatin submitted a proposed draft permit (attached) containing the requested changes to the current permit, F-96-009(Revision 1). On June 5, 1998, Gallatin Steel Company submitted a permit application to the Division for Air Quality to enable the Division to issue a new permit to make agreed upon changes. The application was determined to be complete on August 3, 1998. The Division for Air Quality sent another proposal for the permit to Gallatin Steel Company on September 16, 1998(attached). On October 6, 1998, Gallatin Steel Company submitted a response (attached) to the Division's proposed draft permit. This draft permit has been accepted by the Division for Air Quality and the Gallatin Steel Company.

There are format changes from F-96-009(Revision 1) to this permit caused when the Division for Air Quality changed the permit format for the Title V permitting program.

This permit contains provisions which require that specific test methods, monitoring or recordkeeping be used as a demonstration of compliance with permit limits. On February 24, 1997, the U.S. EPA promulgated revisions to the following federal regulations: 40 CFR Part 51, Sec. 51.212; 40 CFR Part 52, Sec. 52.12; 40 CFR Part 52, Sec. 52.30; 40 CFR Part 60, Sec. 60.11 and 40 CFR Part 61, Sec. 61.12, that allow the use of credible evidence to establish compliance with applicable requirements. At the issuance of this permit, Kentucky has not incorporated these provisions in its air quality regulations.